



Housing Charlotte

A Framework for Building and Expanding Access to Opportunity through Housing Investments

Housing Charlotte Framework

The Housing Charlotte Framework is supported by three core considerations and a three-pronged approach which includes **expansion, preservation and self sufficiency**.

Core considerations

Housing investments and related decisions will be guided by **three core considerations**:

1. **Increasing capacity to serve low-income households, with a focus on households earning 80 percent and below the area median income.**
2. **Serving residents vulnerable to housing displacement.**
3. **Using housing to build and expand access to opportunity.**



Integrated approach to increase capacity and impact

While the City has several funding resources, programs, and policies to support development of affordable housing, more are required to address the growing need. To support the facilitation and implementation of new private sector resources this framework is guided by three pillars/objectives:

- 1) Expand** the supply of rental and owner occupied housing, especially for households earning below 60 percent of area median income.
- 2) Preserve** the affordability and quality of existing housing, which serve a large number of Charlotte residents.
- 3) Support** family self sufficiency by helping individuals and families by helping Charlotte residents become homeowners and have access to jobs and supportive services through the strategic location of affordable housing.





Existing and future housing conditions



Existing and future housing conditions

To inform The *Housing Charlotte Framework*, the City of Charlotte completed a data-driven analysis of Charlotte's housing needs, market conditions, and their relationship to access to opportunity; proximity to planned or existing rail transit; and vulnerability to housing displacement. Through this analysis, **six key trends emerged:**

- 1. Increases in housing costs have outpaced increases in household income, leaving many households paying too much for their current home.**
- 2. While Charlotte has made significant investments in affordable housing production, it still does not have enough affordable rental options to meet its current and future needs.**
- 3. Charlotte's strong residential market limits access to homeownership, especially for lower income households.**
- 4. Most of Charlotte's existing affordable rental options is large-scale naturally occurring affordable housing, meaning the unit is not subsidized or income-restricted. In comparison, only a small share of households receives rental assistance.**



Existing and future housing conditions

Six Key Trends (continued):

5. Many households in Charlotte must make a tradeoff between living in areas with access to jobs, goods, and services and lower housing costs or living in areas with access to other key pathways to opportunity, like low poverty and strong school performance.
6. Charlotte-Mecklenburg could add 500,000 persons by 2030, with seniors representing much of this growth.



Summary of key strategies

Through the *Housing Charlotte* framework, the following strategies and related actions can be considered to assist in expanding and preserving affordable housing, and addressing self-sufficiency. **The strategies will require broad community-wide participation and support from the private, public and non-profit sectors. These strategies are summarized below.**

OBJECTIVE 1(a). Expand the supply of high-quality rental and owner occupied housing.		
STRATEGY 1. Increase rental production	STRATEGY 2. Support mixed-income development	STRATEGY 3. Leverage land
<ul style="list-style-type: none"> Support the development of non-funded 4 percent and 9 percent tax credit projects (e.g. through creation of an equity fund, tax relief grant program, etc.)* Use non-monetary tools to incentivize development of affordable rental housing 	<ul style="list-style-type: none"> Leverage Section 108 funding for mixed-income & mixed-use development * Establish a Neighborhood Revitalization Strategy Area (NRSA) to increase flexibility of federal resources Leverage Opportunity Zone designations to direct private resources (see Appendix 1) Review and update the Zoning Density Bonus programs for multi and single family housing Revise the Housing Locational Policy Encourage inclusion of mixed-income housing through the rezoning process Collaborate with the County to expedite these types of developments through plan review, approval and permitting processes 	<ul style="list-style-type: none"> Establish an acquisition fund to support strategic acquisition of land for affordable housing* Use publicly owned land for housing development

*Items in bold represent Short-Term Priority Financial Tools



Summary of key strategies

OBJECTIVE 1(b). Expand homeownership opportunities.

STRATEGY 1. Prioritize downpayment assistance	STRATEGY 2. Expand existing employer-assisted homebuyer programs	STRATEGY 3. Support creation of a community land trust (land trust)
<ul style="list-style-type: none"> └ Leverage opportunities to develop on infill sites & design programs to support homeownership opportunities on these sites └ In coordination with partners, explore guarantees for first mortgage loans to better leverage private mortgage financing 	<ul style="list-style-type: none"> └ Continue to support municipal employees' participation in the HouseCharlotte down payment assistance program └ Partner with anchor institutions & other large-scale employers to explore developing or expanding employer-assisted housing programs 	<ul style="list-style-type: none"> └ Conduct outreach to residents & stakeholder partners to gauge interest in a land trust └ Identify land throughout Charlotte suitable for donation to or strategic acquisition by a land trust └ Link and prioritize infrastructure investments with other Community Investment Plan projects and programs

Summary of key strategies

OBJECTIVE 2. Preserve the affordability, and preserve or improve the quality, of the existing rental housing stock.

STRATEGY 1. Prioritize preservation of large- scale naturally occurring affordable housing (NOAH)	STRATEGY 2. Preserve expiring subsidized properties	STRATEGY 3. Support extended use of rental subsidies and vouchers
<ul style="list-style-type: none"> └ Prioritize large-scale NOAH properties in development solicitations └ Establish a substantial preservation fund to subsidize developer acquisition of NOAH* └ Establish a tax relief program* └ Create a preservation unit with funding tasked with identifying at-risk NOAH properties & deploying resources to partner with developers to preserve these housing units with City subsidies, and monitor compliance of long-term deed restrictions. In the case where NOAH units are being replaced with market rate units, developers will replace at least the same number of 80% AMI or below units 	<ul style="list-style-type: none"> └ Prioritize recapitalization activities for local investment └ Lower long-term property costs └ Create a right-of-first refusal policy for properties that receive federal or local subsidy 	<ul style="list-style-type: none"> └ Ensure that each publicly funded development includes at least 20% of units for households earning 30% of the Area Median Income. A priority waitlist for an additional 10% of units will target extremely low income tenants with rental subsidies or vouchers, where possible └ Align local resources with policies that support voucher use └ Coordinate with the Charlotte Housing Authority and other local voucher programs on opportunities to use vouchers to support target populations, particularly in areas with strong pathways to opportunity

Summary of key strategies

OBJECTIVE 3. Support family self-sufficiency.

STRATEGY 1. Strengthen property owners' ability to develop accessory dwelling units (ADUs)	STRATEGY 2. Offer tax relief to long-time property owners	STRATEGY 3. Streamline programming for homeowners living in single-family homes
<ul style="list-style-type: none"> └ Develop the appropriate standards, tools, & processes to support ADU implementation └ Educate homeowners, real-estate professionals, financial institutions, & the public 	<ul style="list-style-type: none"> └ Increase participation in existing tax relief programs └ Develop a local tax relief or other program to prevent displacement of long- time homeowners 	<ul style="list-style-type: none"> └ Formalize targeted rehabilitation pilot program to provide resources for rehabilitation of single-family homes └ Expand home repair programs to include energy efficiency improvements to lower ongoing utility costs for vulnerable homeowners └ Coordinate efforts with other targeted outreach activities to better connect property owners to existing programs <div data-bbox="1193 920 1821 1053"> <p>STRATEGY 4: Support various other self-sufficiency programs & services</p> </div> <ul style="list-style-type: none"> └ Continue to support workforce development programs, and other programs and services, that seek to improve economic mobility and family self-sufficiency





Short-term priority financial tools

Potential Priority Financial Tools

- While the City faces several constraints in terms of available resources and existing policies, the *Housing Charlotte Framework* proposes **several priority financial tools that have the potential to increase the production and preservation of affordable housing**, providing opportunities for existing and future residents.
- These tools will **require broad support and participation from other sectors of the community**, i.e. philanthropic, financial institutions, non-profit and for-profit developers, faith institutions, other public-sector agencies, etc., and include:
 1. **Equity Fund**
 2. **Section 108 Loan Guarantee Fund**
 3. **Preservation Fund**
 4. **Acquisition Fund**
 5. **Tax Relief for Affordable Rental Housing**



Summary

- While significant progress has been made over the past decade to increase the supply of affordable housing in Charlotte, the reality is that **housing is becoming less affordable.**
- Execution of the strategies outlined in this framework will only be achieved through **intentional and continued collaboration among community partners.**
- The *Housing Charlotte Framework* outlines how public and private investments can be aligned to facilitate housing to build and expand access to opportunity for Charlotte residents, advancing outcomes such as increased access to areas with high-quality schools, low poverty, and public transit.
- The framework will be used as a guide to help create mixed-income communities by using housing investments to increase access to opportunity.



End of Presentation